

Budget and Capital Committee
August 13, 2007
3:30 p.m.
Scott Heyman Conference Room

APPROVED

Present: M. Koplinka-Loehr, R. Booth, K. Herrera, N. Shinagawa
Excused: M. Hattery
Staff: S. Whicher, N. Jayne, M. Lynch, County Administration; M. Pottorff, Legislature Office

Called to Order

Mr. Koplinka-Loehr called the meeting to order at 3:30 p.m.

Changes to the Agenda

It was MOVED by Mr. Booth, seconded by Mr. Shinagawa, to add the following resolutions to the agenda:

Budget Adjustment and Appropriation of Unspent Rollover Funds from 2006 for the County
Historian
Reduction of Hours – Social Services Department

Ms. Herrera said she opposes the addition of items to agendas and spoke further about this at the time these items were acted upon. A voice vote resulted as follows: Ayes – 3 (Koplinka-Loehr, Booth, and Shinagawa); Noes – 1 (Herrera); Excused – 1 (Hattery). MOTION CARRIED.

Approval of Minutes of July 23, 2007

It was MOVED by Mr. Booth, seconded by Ms. Herrera, and unanimously adopted by voice vote, to approve the minutes of July 23, 2007 as submitted. MINUTES APPROVED.

Public Comment

No one from the public wished to speak.

Chair's Report

Mr. Koplinka-Loehr said he will ask for a discussion later in the meeting with regard to departmental budget presentations during the Expanded Budget and Capital Committee meetings.

Finance Director's Report

Mr. Squires distributed a Contingent Fund report dated August 10, 2007. To date, \$184,214 has been appropriated; the balance is \$645,786. He also distributed a detailed expenditure comparison report from August, 2006, to August, 2007. He noted various accounts where the County has the greatest exposure because anticipated budget overruns. The report was presented for information only; it is too early to make any adjustments in accounts.

Mr. Whicher spoke of the Assigned Counsel Program and stated two-thirds of the expenditures in that program are in the family and drug courts. Mr. Whicher thinks if the State does not proceed with the planned takeover as previously reported, this is an area that will need close examination.

County Administrator's Report

Mr. Whicher reported he is working on the 2008 budget. Almost all department budgets have been submitted and he will have a good look at the whole budget by the end of the week. He said he still remains optimistic that he will be able to reach the goal that has been established.

Public Information Officer's Report

Ms. Lynch reported the Public Information Advisory Board is working on developing a structure for the community budget forum.

RESOLUTION NO. - INCREASE IN HOURS – SUPPORT STAFF - DEPARTMENT OF PROBATION AND COMMUNITY JUSTICE

MOVED by Ms. Herrera, seconded by Mr. Shinagawa. It was explained that this staffing need is the result of a lack of agreement on the interface for the transfer of data. He said there is disagreement between the vendor and agency disagree and while he thinks the creation of an interface to transfer the data should have been part of the original project. Mr. Whicher said although the problem is simple, it is taking time for a solution to come about and there are different interpretations of how long it will take. Mr. Potter was consulted with and has said it is not feasible for County ITS to come up with a software solution to this problem.

A voice vote resulted as follows: Ayes – 4, Noes – 0, Excused – 1 (Hattery). MOTION CARRIED.

WHEREAS, the redesign of the state's probation registry software has eliminated the ability of the Department of Probation and Community Justice to automate data entry tasks in that area, and given that the software in question is proprietary and highly changeable so as to not make it feasible for County ITS to develop a local solution at this time, and

WHEREAS, the increased workload to the department has created the need to increase the standard work week of four support staff positions from 35 hours to 40 hours per week, and

WHEREAS, funding for this increase in hours has been approved as part of the department's request to use the 2006 Certified Rollover funds, and no further funding is required in 2007, now therefore be it

RESOLVED, on recommendation of the Public Safety and Budget and Capital Committees, That the standard workweek for one position each of Administrative Assistant (12-535), Sr. Account Clerk Typist (9-529), Account Clerk Typist (6-513) and Keyboard Specialist (5-507) shall be increased from 35 to 40 hours per week effective August 1, 2007.

SEQR ACTION: TYPE II-20

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RESOLUTION NO. - EXTENSION OF ONE-PERCENT SALES TAX FOR TWO YEARS - INCREASING TAXES ON SALES AND USES OF TANGIBLE PERSONAL PROPERTY AND OF CERTAIN SERVICES, AND ON OCCUPANCY OF HOTEL ROOMS AND AMUSEMENT CHARGES PURSUANT TO ARTICLE 29 OF THE TAX LAW OF THE STATE OF NEW YORK IN ORDER TO EXTEND THE EFFECTIVE DATE THROUGH NOVEMBER 30, 2009

MOVED by Mr. Booth, seconded by Mr. Shinagawa. Ms. Herrera questioned why the reference to hotel rooms was made in the title of this resolution. Mr. Squires suggested it is likely the resolution is in the form requested by the State. *Staff was asked to check previous resolutions as to whether this language was included.*

A voice vote resulted as follows: Ayes – 3, Noes – 1 (Herrera); Excused – 1 (Hattery).
MOTION CARRIED.

Be it enacted by the Tompkins County Legislature of the County of Tompkins, on recommendation of the Budget and Capital Committee, as follows:

SECTION I. The first sentence of section two of Resolution No. 256A as enacted in nineteen hundred sixty-six, as amended, is amended to read as follows:

SECTION 2. Imposition of sales tax.

On and after March first, nineteen hundred and sixty-seven, there is hereby imposed and there shall be paid a tax of three percent upon, and for the period commencing December 1, 1992, and ending November 30, 2009, there is hereby imposed and there shall be paid an additional tax of one percent upon:

SECTION 2. Subdivision (f) of section three of Resolution No. 256A as enacted in nineteen hundred sixty-six, as amended, is amended to read as follows:

(f) With respect to the additional tax of one percent imposed for the period commencing December 1, 1992, and ending November 30, 2009, the provisions of subdivisions (a), (b), (c), (d) and (e) of this section apply, except that for the purposes of this subdivision, all references in said subdivisions (a), (b), (c) and (d) to an effective date shall be read as referring to December 1, 1992, all references in said subdivision (a) to the date four months prior to the effective date shall be read as referring to August 1, 1992, and the reference in subdivision (b) to the date immediately preceding the effective date shall be read as referring to November 30, 1992. Nothing herein shall be deemed to exempt from tax at the rate in effect prior to December 1, 1992, any transaction which may not be subject to the additional tax imposed effective on that date.

SECTION 3. Section four of Resolution No. 256A as enacted in nineteen hundred sixty-six, as amended, is amended to read as follows:

SECTION 4. Imposition of compensating use tax.

(a) Except to the extent that property or services have already been or will be subject to the sales tax under this enactment, there is hereby imposed on every person a use tax for the use within this taxing jurisdiction on and after December 1, 1992, except as otherwise exempted under this enactment, (A) of any tangible personal property purchased at retail, (B) of any tangible personal property (other than computer software used by the author or other creator) manufactured, processed or assembled by the user, (i) if items of the same kind of tangible personal property are offered for sale by him in the regular course of business or (ii), if items are used as such or incorporated into a structure, building or real property, by a contractor, subcontractor or repairman in erecting structures or buildings, or building on, or otherwise adding to, altering, improving, maintaining, servicing or repairing real property, property or land, as the terms real property, property or land are defined in the real property tax law, if items of the same kind are not offered for sale as such by such contractor, subcontractor or repairman or other user in the regular course of business, (C) of any of the services described in paragraphs (1), (7) and (8) of subdivision (c) of section two, (D) of any tangible personal property, however acquired, where not acquired for purposes of resale, upon which any of the services described under paragraphs (2), (3) and (7) of subdivision (c) of section two have been performed, (E) of any telephone answering service described in subdivision (b) section two and (F) of any computer software written or otherwise created by the user if the user offers software of a similar kind for sale as such or as a component part of other property in the regular course of business.

(b) For purposes of clause (A) of subdivision (a) of this section, for the period commencing December 1, 1992, and ending November 30, 2009, the tax shall be at the rate of four percent, and on and

after December 1, 2009, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for such property, or for the use of such property, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section one, but excluding any credit for tangible personal property accepted in part payment and intended for resale.

(c) For purposes of subclause (i) of clause (B) of subdivision (a) of this section, for the period commencing December 1, 1992, and ending November 30, 2009, the tax shall be at a rate of four percent, and on and after December 1, 2009, the tax shall be at the rate of three percent, of the price at which items of the same kind of tangible personal property are offered for sale by the user, and the mere storage, keeping, retention or withdrawal from storage of tangible personal property by the person who manufactured, processed or assembled such property shall not be deemed a taxable use by him.

(d) For purposes of subclause (ii) of clause (B) of subdivision (a) of this section, for the period commencing December 1, 1992, and ending November 30, 2009, the tax shall be at the rate of four percent, and on and after December 1, 2009, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for the tangible personal property manufactured, processed or assembled into the tangible personal property the use of which is subject to tax, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section one.

(e) Notwithstanding the foregoing provisions of this section, for purposes of clause (B) of subdivision (a) of this section, there shall be no tax on any portion of such price which represents the value added by the user to tangible personal property which he fabricates and installs to the specifications of an addition or capital improvement to real property, property or land, as the terms real property, property or land are defined in the real property tax law, over and above the prevailing normal purchase price prior to such fabrication of such tangible personal property which a manufacturer, producer or assembler would charge an unrelated contractor who similarly fabricated and installed such tangible personal property to the specifications of an addition or capital improvement to such real property, property or land.

(f) For purposes of clauses (C), (D) and (E) of subdivision (a) of this section, for the period commencing December 1, 1992, and ending November 30, 2009, the tax shall be at the rate of four percent, and on and after December 1, 2009, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for the service, including the consideration for any tangible personal property transferred in conjunction with the performance of the service and also including any charges for shipping and delivery of the property so transferred and of the tangible personal property upon which the service was performed as such charges are described in paragraph three of subdivision (b) of section one.

(g) For purposes of clause (F) of subdivision (a) of this section, for the period commencing December 1, 1992, and ending November 30, 2009, the tax shall be at the rate of four percent, and on and after December 1, 2009, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for the tangible personal property which constitutes the blank medium, such as disks or tapes, used in conjunction with the software, or for the use of such property, and the mere storage, keeping, retention or withdrawal from storage of computer software described in such clause (F) by its author or other creator shall not be deemed a taxable use by such person.

SECTION 4. Subdivision (1) of section 11 of Resolution No. 256A as enacted in nineteen hundred sixty-six, as amended, is amended to read as follows:

(1)(A) In respect to the use of property used by the purchaser in this County prior to March 1, 1967.

(B) With respect to the additional tax of one percent imposed for the period commencing December 1, 1992, and ending November 30, 2009, in respect to the use of property used by the purchaser in this County prior to December 1, 1992.

SECTION 5. This enactment shall take effect on December 1, 2007.

SEQR ACTION: TYPE II-20

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RESOLUTION NO. - REDUCTION OF HOURS - SOCIAL SERVICES ATTORNEY

MOVED by Mr. Shinagawa, seconded by Ms. Herrera. Mr. Squires said there has been an ongoing dialogue with the State with regard to what constitutes a full-time position because in New York State Retirement law regulations it is stated that all positions within the same class are to be uniform. The State advised that if one position was at 40 hours and the remainder at 35, the standard workweek would be 35. Mr. Squires noted this would impact retirement; however, he has had discussions with the State and said there was agreement that 35 hours does represent full-time; however, he has not yet received this in writing.

Ms. Herrera said she does not oppose the content of this resolution; however, she thinks Legislators need to consider the urgency in adding resolutions to agendas and made reference to a recent memo from Chair Joseph about this. She said when items are added at meetings it removes transparency from the process and said the public and Legislators are not informed when this happens. Mr. Booth agreed with Ms. Herrera's comments; however, he said the items added to the agenda today are routine in nature.

A voice vote resulted as follows: Ayes – 4, Noes – 0, Excused – 1 (Hattery). MOTION CARRIED.

WHEREAS, for reasons of fiscal economy, the Commissioner of Social Services wishes to reduce the standard work week of one position of Social Services Attorney from 40 hours per week to 35 hours per week, and

WHEREAS, this reduction in hours would be beneficial to the taxpayers of the County, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That the standard workweek for one position of Social Services Attorney, (88-233), position ID#1144, shall be reduced from 40 hours per week to 35 hours per week effective immediately.

SEQR ACTION: TYPE II-20

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RESOLUTION NO. - BUDGET ADJUSTMENT AND APPROPRIATION OF UNSPENT ROLLOVER FUNDS FROM 2006 FOR THE COUNTY HISTORIAN

It was MOVED by Mr. Booth, seconded by Ms. Herrera, and unanimously adopted by voice vote by members present, to approve the following resolution and submit to the full Legislature:

WHEREAS, the County Historian has been certified by the Director of Finance to have unspent appropriations from 2006, and

WHEREAS, pursuant to County Fiscal Policy, additional surplus funds have been requested for use in the amount of \$1,000 in the current year budget, now therefore be it

RESOLVED, on recommendation of the Government Operations and the Budget and Capital Committees, That the County Historian be approved to receive their unused rollover funds from 2006:

BUDGET APPROPRIATION:

FROM:	General Fund		\$1,000
TO:	County Historian	0202.54400	\$1,000

SEQR ACTION: TYPE II-20

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Capital Program Review

Ms. Jayne presented the Committee with an updated spreadsheet showing the payments under the 20-year Capital and Debt Program and explained where modifications have been made. She said once all program committees have reviewed the document it will be part of what the budget is built on.

Workforce Investment Board (WIB)

Julia Mattick, Director of Workforce Development, reported on potential funding issues in the 2008 budget. She stated the IDA (Industrial Development Agency), on the advice of their attorney, has voted and notified her that they will not be able to fund the WIB in 2008. The attorney for the IDA has stated that to continue to fund the WIB is in violation of PAAA (Public Authority and Accountability Act) which went into effect in January, 2007. Ms. Mattick said the IDA had a lengthy conversation about funding the WIB in 2007 and those decisions and votes were prior to the PAAA so they are confident the decision made in 2007 was acceptable; however, it would not be for 2008.

Mr. Squires said the issue is that the IDA is considered a related party (the County); and the majority of both boards (IDA and the WIB) are appointed by the Legislature. He said there is some conflict in funneling funds from the IDA to another entity that is controlled by the County.

Ms. Mattick said the 2008 budget request for the WIB includes an over-target request in the amount of \$71,971. Last year the request was \$87,000, and was funded in full by the IDA. She also reported New York State is looking at rescinding a \$24 million in 2005 funding from the Federal Workforce Investment Act. She also stated Tompkins is the only County that funds the WIB through the IDA.

Ms. Herrera said she has thought for a long time that the County needs to find a solid and stable funding stream for the WIB and that the County needs to maintain oversight of this program. She said there is good work done by the WIB and she has not seen any increased visibility in moving the funding to the IDA. Ms. Herrera said Ms. Mattick has done a tremendous job and this program helps local job seekers who may not have access to the internet. She opposes the way this was transferred to the IDA.

Mr. Whicher said he would speak to Mr. Wood, County Attorney, to obtain an interpretation of the PAAA opinion and provide a recommendation. Mr. Squires was asked to obtain an opinion from the State Comptroller as well.

Budget Calendar

Mr. Koplinka-Loehr presented the final Expanded Budget and Capital Committee meeting schedule and asked for input from Committee members as to how meetings will flow. The Committee began discussing how time would be allocated during the first meetings that will be devoted to presentations by departments and general principles in allocating time. The following comments were made:

- Presentations do not need to be made by all departments; departments with no over target request should not be scheduled for a presentation unless a request has been made by a department or Legislator;
- Department heads should be asked if they can live with the County Administrator's budget; if they can, no presentation should be scheduled;
- Begin with larger departments;
- The Human Services Coalition should make one presentation on behalf all agencies;

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The focus of presentations should be what a department wants to say about the budget the County Administrator has proposed and why they can or cannot live with it;

Ms. Herrera said she does not want to focus only on over-target requests; this process should be about oversight;

This is not a time for departments to tell the Legislature what the functions of the department are; this is a time for departments to tell how the proposed budget will impact operations.

Mr. Koplinka-Loehr will work on developing questions to ask departments at these meetings and will present at the next meeting.

Report from the Audit Subcommittee

Mr. Squires reported the Audit subcommittee will meet when the Audit is ready.

Adjournment

The meeting adjourned at 4:45 p.m.

-*Respectfully submitted by Michelle Pottorff, Legislature Office